

Tourism Advisory Council Consumer Marketing Report

Presented by
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February 3, 2009
Helena, Montana

Internet Analysis

January 1-December 31, 2007 & 2008

Website	2007	2008	% change
VisitMT.com	7,995,754	6,621,075	-17%
WinterMT.com*	504,311	411,413	-18%
MontanaKids!	1,180,222	1,015,597	-14%
Lewis & Clark	332,811	313,055	-6%
Indian Nations	479,835	444,297	-7%
Dinosaur Trail	207,873	213,332	3%
TOTAL	10,700,806	9,018,769	-16%

*August 1-December 31, 2007 & 2008

2009 Warm Season Overview

- + Background & Objectives
- + Two-tiered Marketing Plan
 - First-time Visitor Campaign
 - Repeat Visitor Campaign
- + Research
 - Creative Development Testing
 - Baseline Awareness & Post-campaign Studies
- + Creative
- + Budget Summary

2009 Warm Season Marketing Plan Objectives

- + Original plan objectives
 - Launch new brand
 - Increase brand awareness and move Montana into vacation consideration set of target audience through National and Key Market marketing campaign
 - Timeframe: February – August
 - Budget \$3.5M

- + But then...

2009 Economic Outlook

+ US Economy

- In recession since Dec. 2007 (National Bureau of Economic Research, 12/1/08)
- CCI hit 28-year low in fall 2008; consumers are hesitant with future financial and job stability in question (CNN Money, 12/12/08 & TIA's Marketing Outlook Forum)
- Unemployment rate of 7.2% (highest in 16yrs); expected to top 9% before recession ends. Economy lost 1.9 million jobs in the last 4 mos of 2008; continues to lose 500,000/month (New York Times, 2/2/2009)
- Deflation concerns as CPI in record decline (CNN Money, 12/11/08)
- Consumers spending less, saving more

+ Montana economy / budget

- “The bottom line is that we are going to outperform the U.S., but we are still going to feel plenty of pain,” (Bureau of Business & Economic Research, UofM, 12/1/08)
- Montana's budget situation getting worse; Gov. Brian Schweitzer says “things will be tight” (Forbes.com, 12/09/08)

2009 Tourism Outlook

- + Travelers will still travel, but closer to home and will look for values (TIA Marketing Outlook Forum, 2008)
- + TIA Information
 - Leisure, business and inbound international travel will all be down 2-6%
- + ITRR 2009 Montana Tourism Outlook
 - Reasons that tourism businesses experienced an increase (in 2008):
 - Repeat visitors (65%)
 - Affordability of what was offered (45%)
 - Better marketing (40%)
 - The majority (71%) of tourism businesses do not intend to expand, change, or sell their business in 2009
 - Many simply indicated they would “hang in there!”
 - “Annual survey shows much less optimism than any year since it started the report in 1995.” – KPAX-TV, 12/6/08
 - Visitation down 4% in 2008
 - Nonresident vacationer spending down 15% in Q3 2008 vs Q3 2005

Implications

- + More difficult and expensive to attract first time visitors
- + Consumers traveling closer to home and looking for value
- + Continued worsening of the economy
- + Marketing plan actions need to bring an immediate return on investment while still focusing on the long term growth of the brand

Mission...and Action

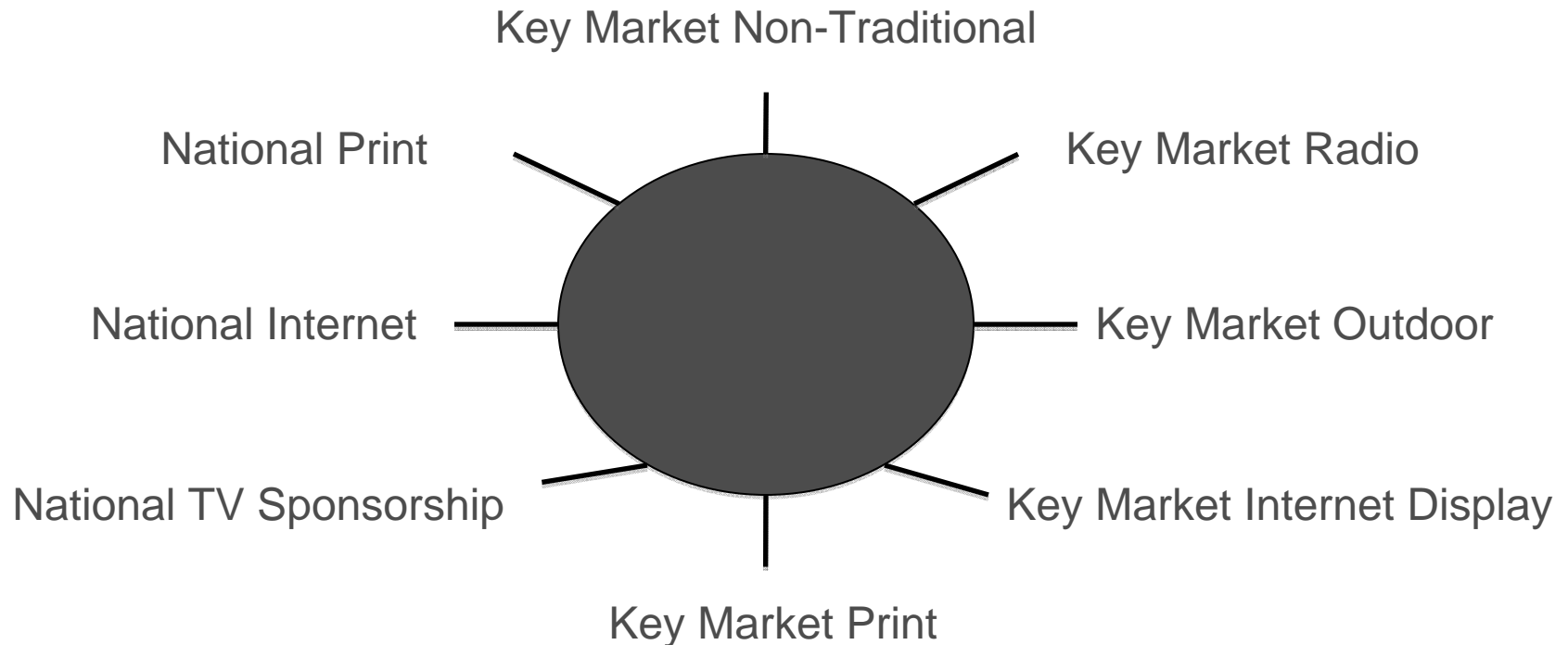
- + Travel Montana's mission: strengthen Montana's economy through the promotion of the state as a vacation destination and film location
- + Action for 2009: address current economic condition
 - Long term: continue focus on branding through National & Key Market campaigns to grow future first time visitors
 - Short term: create and execute Regional Marketing plan to grow immediate visitation from repeat non-resident & resident visitors
 - Execute two-tier plan during focused periods throughout the year

2009 Warm Season Consumer Marketing Plan

- + First-time Visitor Campaign
- + Repeat Visitor Campaign

First-Time Visitor Campaign

Goal: increase first-time non-resident visitors



First-Time Visitor Campaign

+ Geography

- National
- Atlanta
- Chicago

+ Target Audience

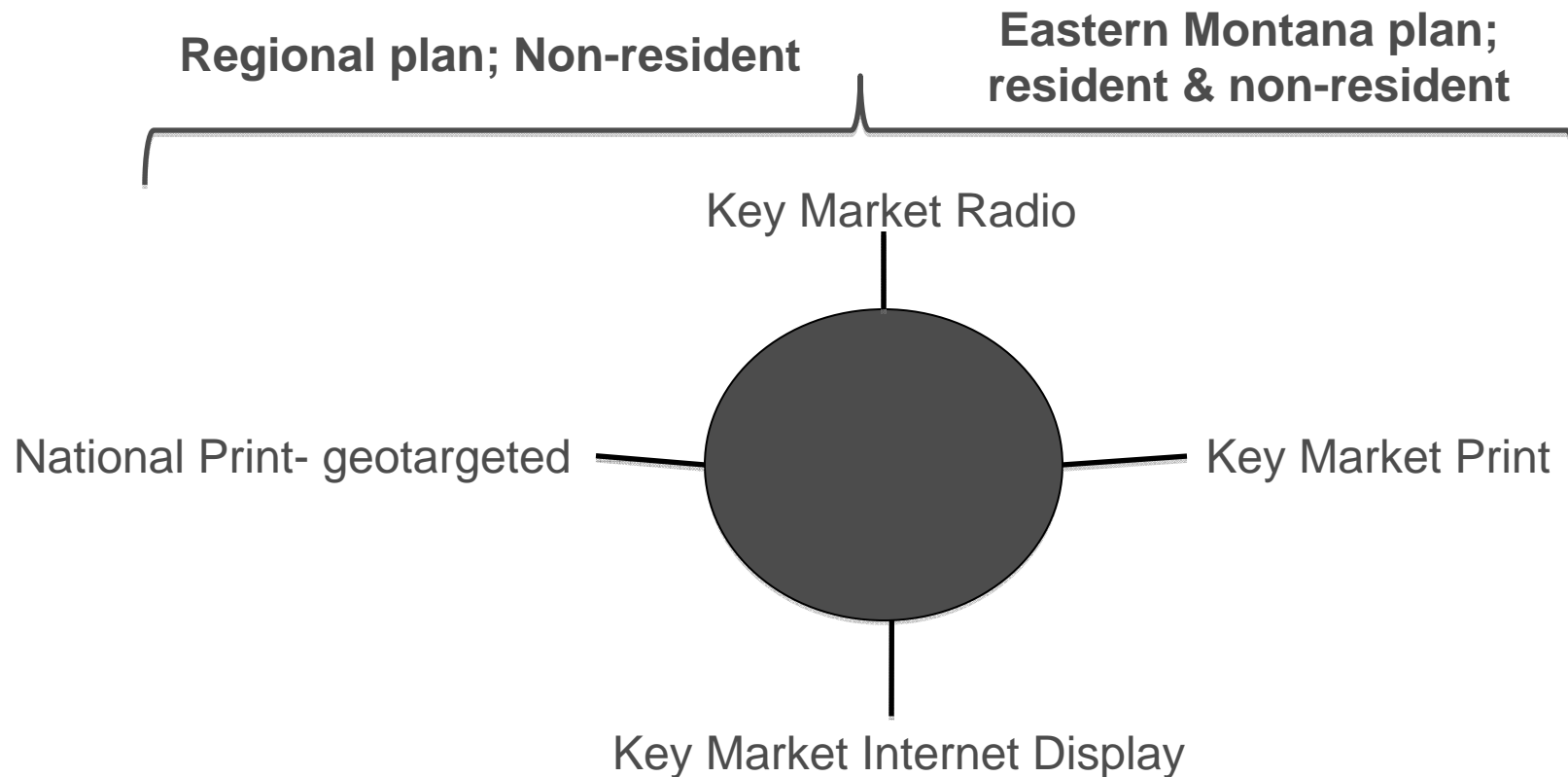
- segments of the Montana geotourist, according to 2007 brand research:
 - GeoCore
 - Frugal Experientialist

+ Messaging: Brand-building

- National parks
- Focus communication twice per year during key periods
 - March 15 – May 15
 - Sept 15 – Nov 15
- Travel planning and trip assumptions
 - Eight- to twelve-week planning horizon
 - Four- to six-day trip

Repeat Visitor Campaign

**Goal: increase return resident
and non-resident visitor trips and duration**



Repeat Visitors- Regional Plan

+ Geography: Key Markets

- Seattle, WA
- Salt Lake City, UT
- Spokane, WA

+ Target Audience

- More likely to have been to Montana before
- Frugal Experientialist
- GeoCore

+ Messaging: Trips

- Focus on National Parks / activities (summer, fall, winter)
- Focus communication three times per year during key periods
 - April 15 – June 15
 - August 1 – September 30
 - December 1- January 30
- Assumptions
 - Four- to six-week planning horizon
 - Two- to four-day trip

Repeat Visitors- Eastern Montana

+ Geography: Key Markets

- Bismarck, ND
- Bozeman, MT
- Missoula, MT

+ Target Audience

- Live in or more likely to have been to Montana before
- Frugal Experientialist
- GeoCore

+ Messaging: Trips

- Focus on key events/activities and build out trips
- Focus communication once per year during key period
 - May 15 – July 15
- Assumptions
 - Two- to four-week planning horizon
 - Two- to -four-day trip

Timing

[illegible]

First-time Visitor Campaign

First-time Visitor Campaign Overview

+ Objectives

- Increase brand awareness through messaging mediums that target the GeoCore and Frugal Experientialist
- Increase traffic to visitmt.com

+ Timing: Feb – Aug 2009

+ Budget: \$2.25M

+ Measurement

- Brand awareness baseline
- Undertone Network metrics and visitmt.com web analytics

First-time Visitor Campaign Overview

		FEB		MAR		APR		MAY		JUNE		JULY		AUG	
		1	15	1	15	1	15	1	15	1	15	1	15	1	15
NATIONAL	Print														
	Internet Display														
	Internet Search														
	TV Sponsorship														
KM ATL	Print														
	Internet														
	Radio														
	Billboard														
	Non-Traditional														
KM CHI	Print														
	Internet														
	Radio														
	Billboard														
	Non-Traditional														

+ Focus Key Market campaign from March 15 – May 15

National Campaign Budget

		\$	%
National	Print	\$ 493,635.80	49%
	Internet Display	\$ 302,450.40	30%
	Internet Search	\$ 102,960.00	10%
	TV Sponsorship	\$ 112,000.00	11%
	Co-Op	\$ (13,230.00)	
		\$ 997,816.20	

National Print

+ Print Spending = \$493,636

– Objectives

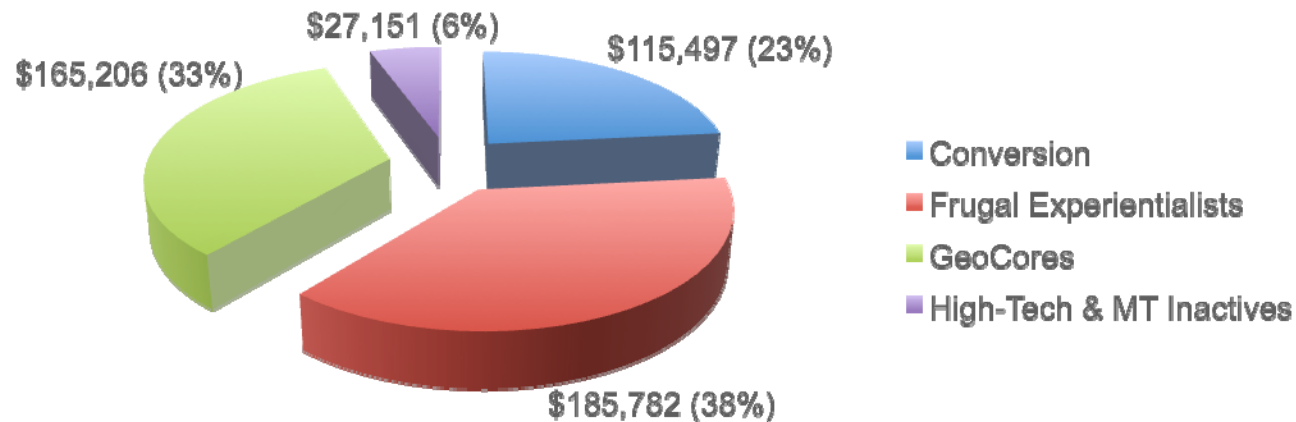
- Increase brand awareness among primary GeoCore and Frugal Experientialist target
- Minimize publications that speak to secondary segments
- Maintain reliance on publications with high conversion rate, but shift into regional plan with action-oriented messaging

– CPM = \$55.57

National Print

+ Publication segments

- Conversion (+3% vs FY08)
- Geotourist Targets (+23% vs FY08)
 - Frugal Experientialist (+30% vs FY08)
 - GeoCores (-7% vs FY08)
- High-Touch Technocrats & MT Inactives (-25% vs FY08)



National Internet

- + Internet Spending = \$396,506 (-5% vs FY08)
 - Objectives
 - Create brand awareness by placing ads on sites targeted to the GeoCore and Frugal Experientialist
 - Generate traffic to / navigation through Travel Montana's website
 - Develop quick and efficient information processing to maximize campaign efforts
 - \$293,546 in Display
 - Undertone Ad Network - \$184,800
 - Direct to site = \$108,546
 - \$102,960 in SEM / CPC (slight increase vs FY08)
 - Total Impressions - 78,000,000 (about the same vs FY08)
 - CPC - \$1.32 (about the same vs FY08)
 - \$9.22 CPM (-62% vs FY08)

National Internet

+ Display

- BudgetTravel.com
- Canada.com
- GordonsGuide.com
- NationalGeographic.com (+ video pre-roll)
- Pandora.com
- Salon.com
- Wildernet.com
- YellowstonePark.com

+ Search

- Pay-per-click with key words on google.com

National Television

- + PBS “Endless Feast” Sponsorship
- + PBS programming has strong viewership from MT’s primary target audiences (GeoCores and Frugal Experientialists)
- + Additional media vehicle within WS FY09 Campaign
- + Episode to marry spectacular Montana scenery and local farm-to-table cuisine experience
- + Underwriting Cost: \$112,000

Endless Feast Promo

Key Market Campaign

- + Markets

- Chicago
- Atlanta

- + Budget: \$925,000

- + Media

- Print, Radio, Online, Outdoor & Non-traditional TBD

- + Creative: TBD

- + Timing

- mid-March thru mid-June, w/emphasis on Mar-May

Repeat Visitor Campaign

Repeat Visitor Campaign Overview

+ Objectives

- Drive immediate visitation to Montana during the next 12 months (March '09 to Feb. '10)
- Complement first-time visitor campaign objectives and drive traffic from repeat visitors
- Grow the number of trips from people who have already visited Montana
- Increase number of days stayed

+ Timing:

- mid-April through June 2009
- two add'l flights through 1st quarter of 2010

+ Budget: \$1.7M

Repeat Visitors- Regional Plan

+ Geography: Key Markets

- Seattle, WA
- Salt Lake City, UT
- Spokane, WA

+ Target Audience

- GeoCore
- Frugal Experientialist

+ Budget: \$1,300,000

+ Messaging: Trips

- Focus on National Parks / activities (summer, fall, winter)
- Focus communication three times per year during key periods
 - April 15 – June 15
 - August 1 – September 30
 - December 1- January 30
- Assumptions
 - Four- to six-week planning horizon
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Repeat Visitors- Eastern Montana

+ Geography: Key Markets

- Bismarck, ND
- Bozeman, MT
- Missoula, MT

+ Target Audience

- More likely has been to Montana before
- Frugal Experientialist & GeoCore target market population

+ Budget: \$400,000

+ Messaging: Trips

- Focus on key events/activities and build around
- Need to set up meeting with E MT stakeholders to determine region's commonality (early March)
- Focus communication once per year during key period
 - May 15 – July 15
- Assumptions
 - Two- to four-week planning horizon
 - Two- to -four-day trip

What is Eastern Montana?

- + Everything outside of the typical first-time visitation area
 - Glacier, Yellowstone and corridor
 - But does Eastern Montana really describe that area?

Long-Term Goals: Iconification

- + Define and iconify the Eastern Montana experience
 - What is the commonality?
- + Eastern Montana to become a destination unto itself

Short-Term Goals: Visitation

- + Better educate the target audience about Eastern Montana offerings to entice them to visit
- + Increase travel and visits to Eastern Montana

Long-Term Approach: Iconification

- + Get consensus on 'what'
- + Create campaign to support 'what'
- + Run the messaging in targeted locations
- + Build the icon while building infrastructure
- + Long term: become a destination for the first-time visitor

Short-Term Approach: Visitation

- + Increase awareness and create a demand through a strategic, regional marketing plan that educates target on Geotourist offerings in Eastern Montana and increases visitation
 - Offerings to include places, activities and experiences that resonate with the Geotourist and reflect the brand pillars
 - Authentic and rich experiences
 - Cultural/social aspects of the location
 - Interaction with the environment (extending to hunting/fishing)

Eastern Montana Next Steps

- + Define partners (in progress)
- + Schedule stakeholder meeting (early March)
 - Define “Eastern Montana;” partners agree on the commonality among Eastern Montana communities
 - Partners agree on the goals
- + Finalize elements of the marketing plan
 - Launch campaign in May 2009

Research

Research

- + Creative Development Research
- + Brand Awareness
 - Pre-Campaign Baseline Study
 - Post-Campaign Study

Creative Development Objectives

- + Are we communicating our message to the audience?
- + Is the message appealing?
- + Can the audience relate to the message?
- + Is the message easy to understand?
- + Is the message believable?
- + What is working and what isn't?

Creative Development Questions

- + What is the main message the advertising is trying to convey?
- + How would you describe the advertising to a friend?
- + What impressions of Montana does it give you?

Creative Development Panels

- + Custom-built, proprietary panel of geotravelers
- + One-on-one email and moderated online discussion with 15 to 18 target consumers
- + Respondents will provide in-depth feedback on advertising concepts
- + Custom Reporting
- + Trend Analysis

Brand Awareness Objectives

- + Measure brand awareness and understanding
- + Assess the advertising effectiveness
- + Assess consumer attitudes toward travel to Montana
- + Evaluation of media mix in reaching the target
- + Identify travel trends for the target

Leisure Trends

- + Contracted to perform brand awareness studies
- + Full Service Research company specializing in lifestyle and sport segments
- + Custom panels demonstrate better understanding, knowledge and research of our target
 - Most Active American Panel (MAAP)
 - LeisureTRAK
- + MT research will utilize online sample
- + Timing: conduct pre-campaign baseline study in Feb 2009; conduct post-campaign baseline study in Aug 2009
- + Cost: \$47,275

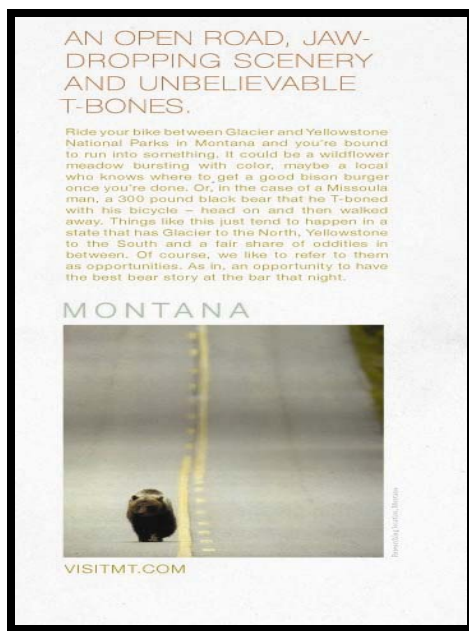
Leisure Trends - Client List



Creative

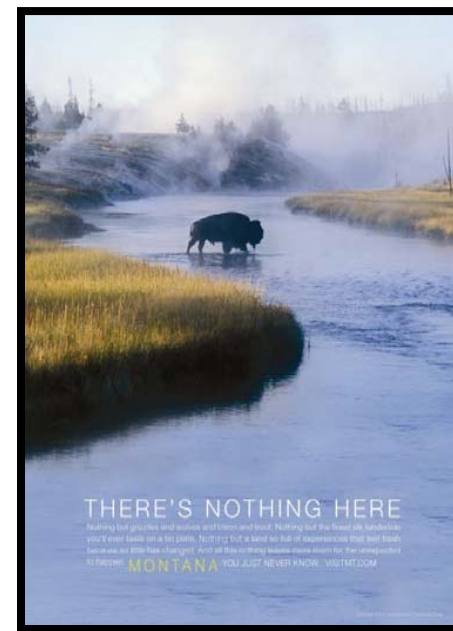
Main Message Communicated

Storytelling



Montana is a state filled with open spaces, quaint towns and numerous opportunities to for the spontaneous and unexpected to happen

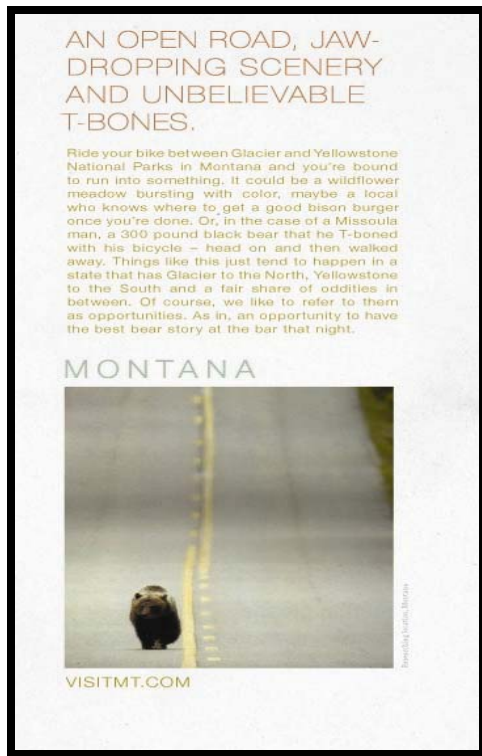
There's Nothing Here



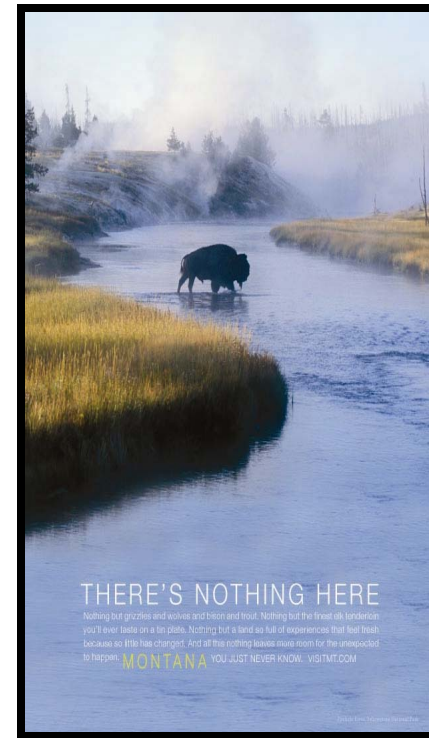
Nothing *is* something— unspoiled wilderness, majestic scenery and ability to experience and interpret Montana for yourself

Head v. Heart

Piques intellectual
curiosity

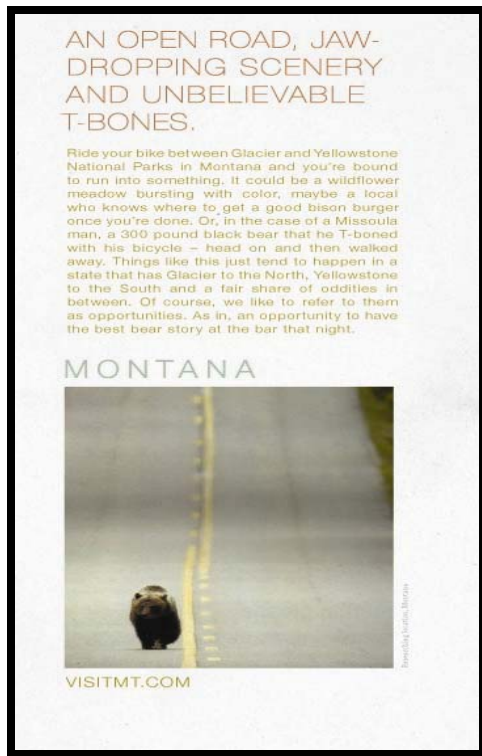


Engages emotions

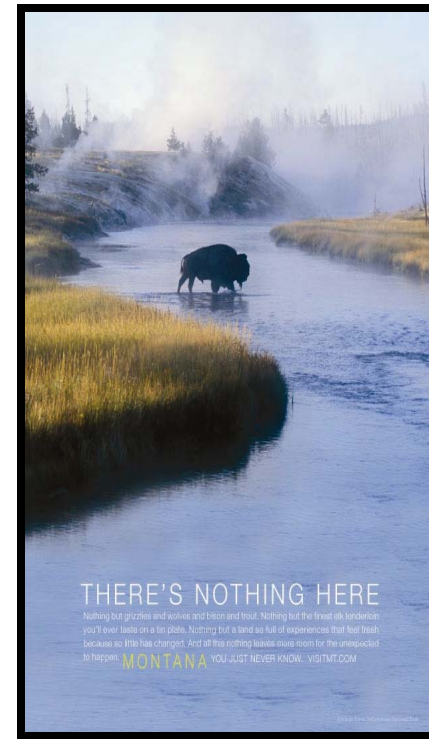


Anything new about Montana?

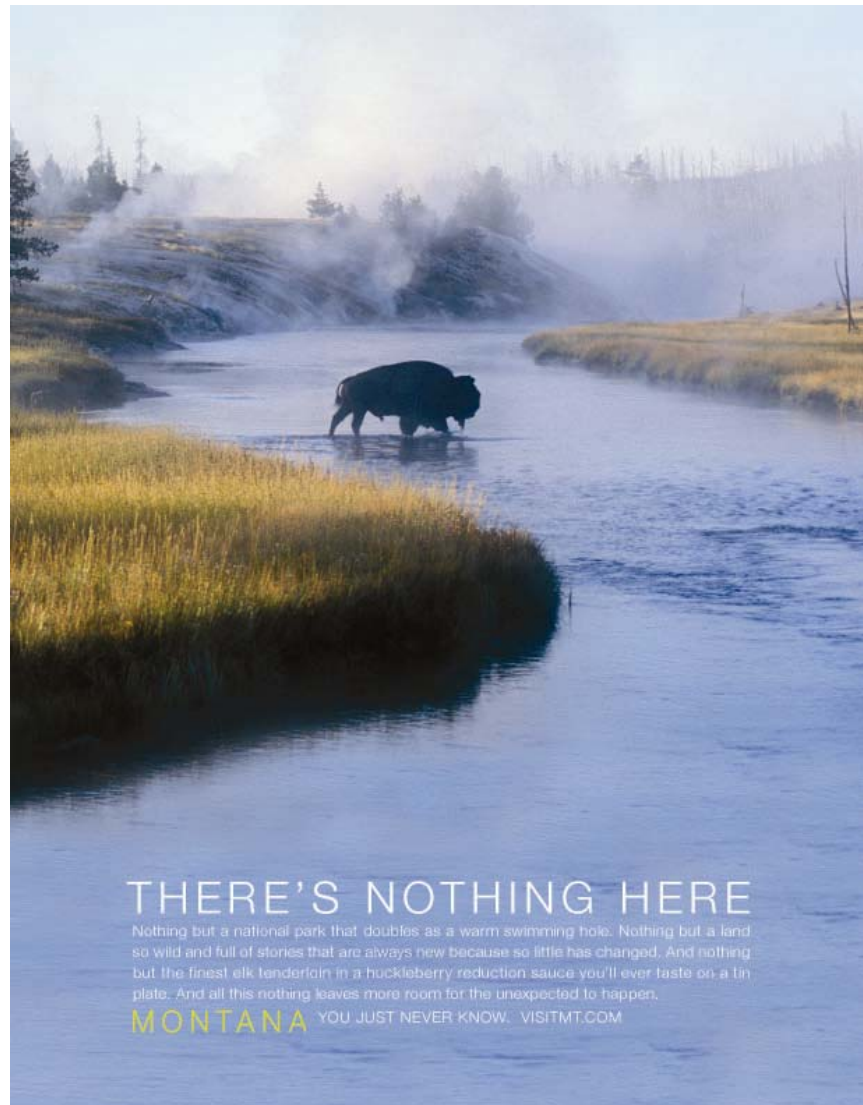
Adds perspective

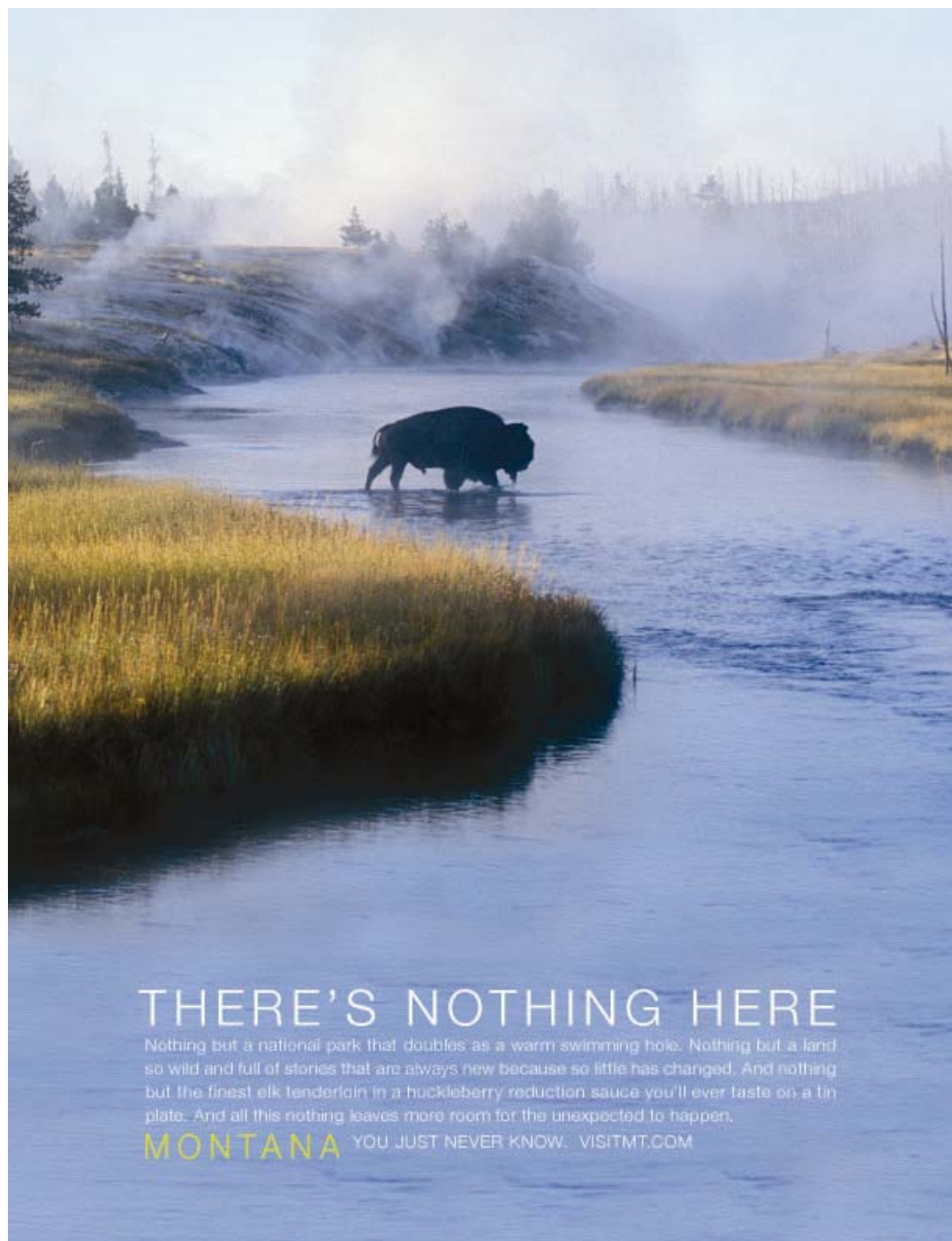


Positive reinforcement



There's Nothing Here





THERE'S NOTHING HERE

Nothing but a national park that doubles as a warm swimming hole. Nothing but a land so wild and full of stories that are always new because so little has changed. And nothing but the finest elk tenderloin in a huckleberry reduction sauce you'll ever taste on a tin plate. And all this nothing leaves more room for the unexpected to happen.

MONTANA YOU JUST NEVER KNOW. VISITMT.COM



THERE'S NOTHING HERE

Nothing but a landscape so big and open and rugged that it stretches your soul. Nothing but the mercantile where the sign reads, "If we don't have it, you don't need it." And nothing but a million stars overhead to remind you that no one should settle for a hotel with a mere five. All this nothing leaves more room for the unexpected to happen.

MONTANA YOU JUST NEVER KNOW. VISITMT.COM

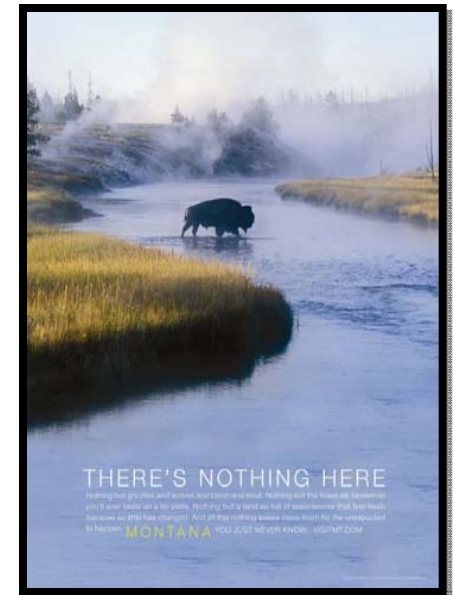
There's Nothing Here

“ . . . gives me a sense that there is an adventure waiting for me to experience.” - Nancy



“Just do it!” – Kathleen

“Makes me want to go. Run to the mountains!” – Amy



There's Nothing Here

- + Power of visuals
- + Non-Montana = Positively reinforces perceptions
- + Montana travelers = access positive memories
- + Distinctly Montana v. anywhere
- + Concepts spark interest and engagement with combination of visuals and copy.
- + All that 'nothing' means possibilities, room for the unexpected

In Their Own Words

(There's Nothing Here)

“LOVE: gorgeous photos . . . That’s my kind of place and my idea of vacation, and what I really miss and even grieve living in a urban environment.” – Liz

“The imagery is gorgeous and the text backs that up by telling me what I will experience there.” – Gabrielle

“I could use my own imagination there, instead of being told exactly what to think about and exactly what I should feel. “- Mike

“I really liked the visual images . . . The bison in the fog is so cool and the color of the lake in the second ad is amazing. They found two places I really want to go.” – Scott R.

What We Know

(There's Nothing Here)

- + Visuals are working to tap into and engage travelers on an emotional level
- + They can see themselves there
- + Specificity of place v. anywhere
- + Minimal copy provides the right amount of needed information without being prescriptive
- + They feel there is a 'story' for them—
“Insert my story here: _____.”

Storytelling

SOMETIMES IT'S ABOUT
THE HEROIC SENSE OF
ACCOMPLISHMENT.
SOMETIMES IT'S ABOUT THE PIE.

Glacier National Park is a great place to earn some blisters and exercise one's rugged individuality. But after all that - try the pie. An amazing road trip through 48 miles of switchbacks, over the Continental Divide on a road that has been given the epic-worthy name 'Going-to-the-Sun' will eventually lead you to the Park Café in the little town of St. Mary. This is what you came for. This is where they have the pie. You'll have another story worth sharing thanks to the strawberry-rhubarb or the heavenly huckleberry that used to be made in a school bus. But they only make 40 pies a day and when they're gone, they're gone. So take in the breathtaking vistas and exhilarating hikes - just make it to the pie on time.

MONTANA



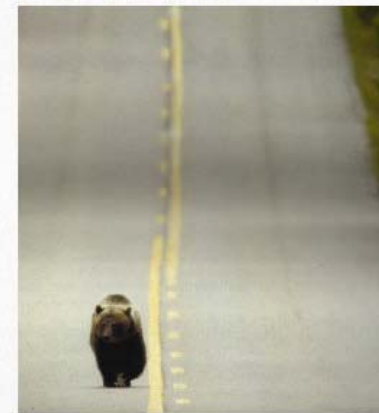
Going to the Sun Road in Glacier National Park, Montana

VISITMT.COM

AN OPEN ROAD, JAW-
DROPPING SCENERY
AND UNBELIEVABLE
T-BONES.

Ride your bike between Glacier and Yellowstone National Parks in Montana and you're bound to run into something. It could be a wildflower meadow bursting with color, maybe a local who knows where to get a good bison burger once you're done. Or, in the case of a Missoula man, a 300 pound black bear that he T-boned with his bicycle - head on and then walked away. Things like this just tend to happen in a state that has Glacier to the North, Yellowstone to the South and a fair share of oddities in between. Of course, we like to refer to them as opportunities. As in, an opportunity to have the best bear story at the bar that night.

MONTANA



Black bear on road in Montana

VISITMT.COM

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MONTANA



Going to the Sun Road in Glacier National Park, Montana

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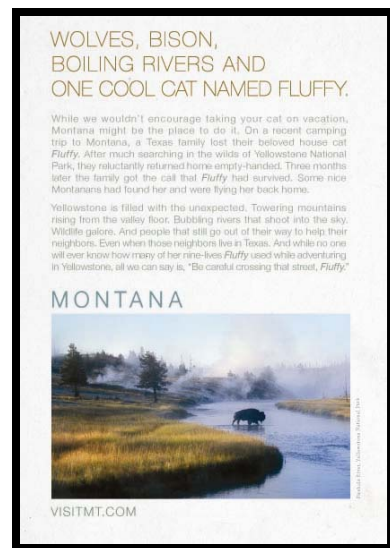
MONTANA



From riding localities, Montana

VISITMT.COM

Storytelling



"The other series of ads made me feel good and this series made me think a bit more."

- Becca

"Just felt they were a bit too wordy and not visceral enough." - Daniel

"Serve as a reminder that there is more than jaw-dropping scenery. There are real experiences, people events and opportunities available . . . either by plan or by serendipity." - Kathleen

In Their Own Words (Storytelling)

“I really like the image of backpacking, hiking or even driving great distances in order to eat great pie. . . Limit of 40 pies a day gives a sense of urgency to the situation.” – Scott R.

“Is there a biography of the person who makes the pie? I want to dive a bit further into the places.” – David

“I loved the pie one— maybe because I love pie and for me a long day of hiking with a yummy treat at the end of the day is ideal.” – Becca

“ Love the great photos [and] the send of humor; the phrase ‘the best bear story in the bar.’” – Liz

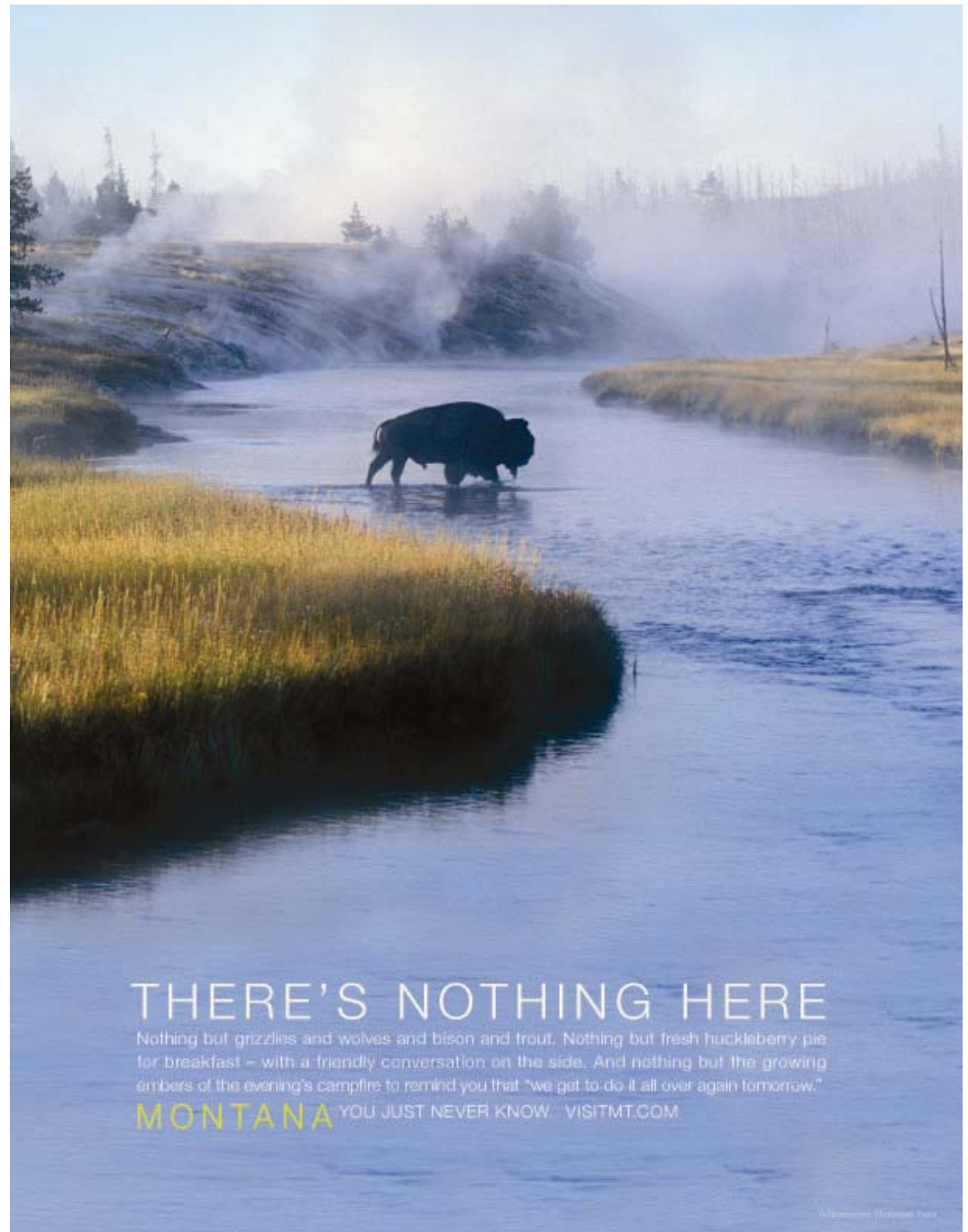
“Again, the ‘unexpected’ theme from the bear story resonated with me.” – Mariah

What We Know (Storytelling)

- + Importance of place
- + Create tension visually and through stories
- + Layout: dominated by copy v. image
- + Educational for non-Montana travelers; multi-faceted
- + When executed strongly does play with core geo-traveler tapping into their desire for the unique, off the beaten path, local experience
- + Sparks a curiosity which is complementary to the powerful emotional responses Bison and Glacier evoke.
- + Powerful idea, but could be tighter in some areas

Creative Research Results

National / Regional Print Creative



THERE'S NOTHING HERE

Nothing but grizzlies and wolves and bison and trout. Nothing but fresh huckleberry pie for breakfast – with a friendly conversation on the side. And nothing but the growing embers of the evening's campfire to remind you that "we got to do it all over again tomorrow."

MONTANA YOU JUST NEVER KNOW. VISITMT.COM

Yellowstone National Park

National / Regional Print Creative



Other Creative Considerations

- + Consider the placement and “breakthrough” ability
- + Web is an excellent place to pique interest and tell them more
- + Both concepts support the same message— may be used in concert together

Warm Season Budget Summary

+ First-time Visitor Campaign.....\$2,250,000

- National
- Chicago
- Atlanta

+ Repeat Visitor Campaign.....\$1,700,000

- Regional/Park focus (\$1,300,000)
- Regional/E MT focus (\$400,000)

+ Research.....\$ 90,000

- Creative Development (\$20,000)
- Brand Awareness (\$70,000)

TOTAL.....\$4,040,000

Questions & Comments

Presentation will be available online at
www.travelmontana.mt.gov

Email media plan requests to Katy Peterson at
kapeterson@mt.gov